



## STATE AND CONSUMER SERVICES AGENCY

# SCSA NEWS

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### SECRETARY'S MESSAGE

Under the leadership of Governor Arnold Schwarzenegger over the last eighteen months, the State and Consumer Services Agency has seen a number of successful initiatives come to completion. I am pleased to introduce our first newsletter to highlight some of the great news coming from the departments and programs under the umbrella of this agency.

Starting last year with California's first ever "Garage Sale," a blockbuster sellout hosted by the Department of General Services, to Franchise Tax Board's highly successful Tax Amnesty Program, we have much to reflect on and even more success to

anticipate in the future.

As part of his environmental action plan, the Governor launched the *Breathe Easier* public service campaign in March of this year to help reduce air pollution by retiring 15,000 high-polluting vehicles.

That same month, the Department of Consumer Affairs held an Identity Theft Summit, bringing together hundreds of government officials, industry experts and consumer groups from across the state to focus on fighting this growing epidemic.

With its Strategic Sourcing Initiative, the Department of General Services is realizing



significant savings for the taxpayers as we leverage our buying power for purchases made on behalf of client agencies across state government.

Again, I am proud to offer a glimpse into the leadership and hard work that is carried out by the many people within this agency who are working to make California a better place to live, work and do business.

— Fred Aguiar

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### GOVERNOR SCHWARZENEGGER ANNOUNCES THE ESTABLISHMENT OF THE DEPARTMENT OF TECHNOLOGY SERVICES

On July 11, 2005, Governor Arnold Schwarzenegger announced the establishment of the new State Department of Technology Services.

"The creation of the Department of Technology Services is an important step toward bringing California's state government technology structure into the 21st century," said Governor Schwarzenegger. "Californians deserve to have a government that serves them

effectively and efficiently and this reorganization is an important part of accomplishing that goal. I look forward to working with the Legislature to improve and modernize state government so that it better serves Californians."

The Department of Technology Services consolidates the Stephen P. Teale (Teale) and Health and Human Services



Secretary Aguiar swears in Acting Director/Chief Deputy Director Bob Austin

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## IDENTITY THEFT PREVENTION MADE A TOP PRIORITY

"GIVING CONSUMERS THE BEST POSSIBLE INFORMATION ABOUT HOW TO PROTECT THEIR PRIVACY IS CRITICAL. IT IS ALSO CRITICAL THAT WE TRAIN THOSE WHO RESPOND TO PRIVACY AND IDENTITY THEFT VIOLATIONS, AND TO PROMOTE BEST PRACTICES FOR INDIVIDUALS, BUSINESSES AND GOVERNMENTS."

— CHARLENE ZETTEL  
DCA DIRECTOR

With a major budget increase to the California Office of Privacy Protection (COPP), the newly signed state budget boosts efforts to combat the growing epidemic of identity theft, making it a top priority in the Schwarzenegger Administration.



CALIFORNIA  
**OFFICE OF  
PRIVACY  
PROTECTION**

"California leads the nation in providing legal remedies for those hit by this devastating crime. Yet, victims, consumer groups and law enforcement officials continue to report frustrations in bringing criminals to justice," said Fred Aguiar, Secretary of the State and Consumer Services Agency.

Originally proposed by Governor Schwarzenegger in May, the

2005-06 budget contains an augmentation of \$446,000 for the COPP to increase identity theft education and outreach efforts to consumers and organizations throughout California.

"Far too often we hear about major, institution-

wide breaches of personal data and the sophisticated means behind the attacks – To combat this crime, we need to become as sophisticated as the criminals," continued Aguiar.

In the upcoming year, the COPP will undertake an aggressive strategy to conduct training sessions and seminars at institutions of higher learning, departments of state, local

government, and law enforcement agencies.

"Giving consumers the best possible information about how to protect their privacy is critical," said Charlene Zettel, Director of the California Department of Consumer Affairs. "It is also critical that we train those who respond to privacy and identity theft violations, and to promote best practices for individuals, businesses, and governments."

The dedicated resources and public education strategy are among proposals developed after the Schwarzenegger Administration hosted an Identity Theft Summit earlier this year, where industry and consumer groups, law

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## HIGH-POLLUTING VEHICLES TARGETED BY GOVERNOR'S BUDGET INCREASE

The newly signed state budget fulfills Governor Schwarzenegger's pledge to crush high-polluting vehicles, taking them off the road and reducing California's air pollution.

A Bureau of Automotive Repair (BAR) program allows motorists to voluntarily scrap their vehicles if they fail the smog check and qualify to participate. BAR's Consumer Assistance Program (CAP) will pay motorists \$1,000 to retire their polluting vehicle or up to \$500 in smog-related repairs.

"If your vehicle fails its Smog Check, it is not the end of the world, but it is an opportunity to get your high-polluting vehicle off the road for good and to be paid \$1,000 for it," said Consumer Affairs Director Charlene Zettel.

"Reducing air pollution is a priority for California - every crushed polluter adds to cleaner air."

The 2005-06 budget funds the

BAR's vehicle retirement program with \$18.5 million budget to retire or repair vehicles that fail Smog Check.



As part of his environmental agenda, Governor Schwarzenegger kicked off the Breathe Easier public awareness campaign on March 16, 2005 to promote vehicle

retirement and raise awareness about high-polluting vehicles, their contribution to air pollution and the associated negative health effects,

*(Continued on page 6)*

## VICTIMS COMPENSATION PROGRAM CELEBRATES 40 YEARS

On July 20, 2005, California's Victim Compensation Program (VCP) commemorated 40 years of service as the nation's pioneer state in victim compensation. Since 1965, the state program has helped nearly 900,000 victims and their family members, and paid out more than \$1.5 billion to eligible crime victims and those who provide services to them.

Governor Arnold Schwarzenegger proclaimed July 21, 2005 as "Victim Compensation Program Day in California." The theme of the day's celebration at the Tsakopoulos Library Galleria in Sacramento was "Honoring the work we do and those who make it happen."

"I am very proud of this program, its achievements, and

the help that it has provided to so many victims of crime and their loved ones throughout California," said Fred Aguiar, Secretary, State and Consumer Services Agency, and Chair of the three-member Victim Compensation and Government Claims Board. "Employees may take special pride in the success of the program. By helping victims of crime and paying tribute to all those who dedicate their lives to serving them, we can make our communities stronger and more secure."

The Honorable Lois Haight, Contra Costa County Superior Court Judge gave the keynote address. Judge Haight served the Reagan Administration as chair of the 1982 President's Task Force on Victims of Crime, resulting in the creation of the Office for Victims of Crime

within the U.S. Department of Justice. Under her leadership, the well being of the people of California and the nation has prospered.

Aguiar and fellow board member Michael A. Ramos, San Bernardino County District Attorney, acknowledged the accomplishments of the last four decades and paid tribute to the Board's employees who work diligently every day to assist crime victims and their families.

Over the years, state and local governments, working with victim support organizations, have provided crucial services to California's crime victims and their families. More than 100 victim assistance centers in 58 California counties help crime victims obtain compensation.

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"I AM VERY PROUD OF THIS PROGRAM, ITS ACHIEVEMENTS, AND THE HELP THAT IT HAS PROVIDED TO SO MANY VICTIMS OF CRIME AND THEIR LOVED ONES THROUGHOUT CALIFORNIA."

— FRED AGUIAR,  
SCSA SECRETARY

## CUSTOMER SERVICE INITIATIVE IMPLEMENTED TO MEET CUSTOMER NEEDS

Governor Arnold Schwarzenegger is determined to make state government more responsive to the public's needs and has instructed his administration to find ways to better serve the people of California. The State and Consumer Services Agency (SCSA) heeded his call and has been working diligently to develop customer service standards that ensure streamlined processes and superior results at every level. In September, SCSA will hold a workshop to share customer service information with all of its departments.

SCSA and member departments

have made very important strides and are committed to the full implementation of the Governor's vision. As the state's premier service provider, SCSA is committed to leading state government in revitalizing and strengthening departmental services in order to meet the needs of taxpayers and exceed their expectations.

To ensure that SCSA's departments are providing the best service possible, the Customer Service Initiative was implemented. As part of this initiative, events will be held to provide departments with the opportunity to share best practices and chart a course for

further improvement.

On September 2, 2005, an agency-wide customer service workshop will be held for SCSA top level executives. The workshop will emphasize the importance of delivering superior customer service and will provide attendees with relevant information, which will then be incorporated into department practices, employee training evaluations, as well as customer feedback tools.

In essence, executive staff and their departments will implement a comprehensive customer service program that

is tailored to meet their customers' needs, making state government far more responsive and effective.

## DGS: CALIFORNIA AWARDS STATEWIDE CONTRACTS FOR COMPUTER HARDWARE

The state has awarded seven statewide contracts for computer hardware worth a projected \$116 million, the Department of General Services announced earlier this month.

The competitively bid statewide contracts, reached through the California Strategic Sourcing Initiative, are expected to yield savings of approximately \$40 million over two years. Average price reductions range from 15 percent on peripherals to more than 46 percent on printers.

"These contracts represent a major victory for the taxpayers of California," said DGS Director Ron Joseph. "By pursuing best value from top manufacturers, we have obtained major

price reductions on the same brand-name computer equipment used in businesses across America."

The contracts mark the first time the state has developed common configurations for computer equipment. As a result, the state has been able to leverage its enormous purchasing power to get better prices and better values on what it buys.

"We don't need scores of different models and configurations of desktop computers," said Fred Aguiar, Secretary of the State and Consumer Services Agency, which oversees DGS. "By switching to a handful of basic, off-the-shelf computer models, we can buy in

bulk and drive down prices."

The open, competitive bidding process was run using a "best value" approach. Sixty percent of bidders' scores were based on price, while 40 percent were based on technical and administrative requirements, such as service levels and customer references. The goal was to award based not just on purchase price, but on a combination of factors that reflect total cost of ownership.

Contracts for desktop computers, worth an estimated \$53 million combined over two years, were awarded to the team of Palo Alto-based Hewlett-Packard, Sacramento-based Western Blue and Tempe,

*(Continued on page 5)*

"BY PURSUING  
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NAME COMPUTER  
EQUIPMENT USED  
IN BUSINESSES  
ACROSS AMERICA."

— RON JOSEPH  
DGS DIRECTOR

## LEGISLATIVE UPDATE: IDENTITY THEFT AND PRIVACY PROTECTION



State and Consumer Services Agency has one of the largest bill loads in state government. We follow approximately 1,000 bills each year covering a broad array of topics that impact the fourteen departments we oversee. Two of the most important issues we are following this year are identity theft and privacy protection. Following is a list of measures introduced this year relating to identity theft and privacy protection:

**AB 424 (Calderon)** would revise the definition of "person" in existing laws relating to identity theft to include a firm, association, organization, partnership, business trust, company, corporation, limited liability company or other public entity and revise the definition of personal identifying information to include an equivalent form of identification.

**AB 1566 (Calderon)** would provide that every person who, with the intent to defraud, acquires, transfers, or retains possession of the personal identifying information of another person who is in the armed forces and is deployed, as defined, to a location outside of the state is guilty of a misdemeanor.

**SB 13 (Bowen)** eliminates the general exemption of any state agency to disclose personal information for research purposes. Permits an agency to disclose information to the University of California or a nonprofit educational institution conducting research only if the request is approved by the committee for the Protection of Human Subjects (CPHS) or the California Health and Human Services Agency.

**SB 158 (Machado)** would delete the existing requirement that a person place their social security number on the power of attorney form, and would require that the form contain a notice that third parties may request identification.

**SB 550 (Speier)** would allow consumers access to their personal information that is collected by data brokers.

**SB 852 (Bowen)** would expand on current law by requiring companies and public agencies to notify a consumer anytime his or her personal information is lost, stolen, or accessed by the wrong person, regardless of whether the data was computerized when it was acquired.



## DEPARTMENT OF TECHNOLOGY SERVICES (CONT'D)

*(Continued from page 1)*

Data Centers (HHSDC) with the Department of General Services Office of Network Services (ONS) under the jurisdiction of the State and Consumer Services Agency. By combining these two large general purpose data centers with the organization responsible for telecommunications within state government, the state expects to improve efficiency and eliminate the duplication of services.

"We look forward to increased efficiency in operations, better delivery of customer services, and an overall solid organization to serve our citizens," said Fred Aguiar, State and Consumer Services Agency Secretary. "DTS will significantly change the way information technology services are provided to state agencies."

On March 31, 2005, Governor

Schwarzenegger submitted Governor's Reorganization Plan Two (GRP2) to the Little Hoover Commission to establish the department. On May 9, 2005, he submitted that plan to the Legislature for their review. Under the executive reorganization process, the Legislature has 60 days to review and consider a governor's reorganization plan. If the plan is not rejected by either house of the Legislature during that time, it becomes effective. For this GRP, that 60-day period expired at midnight on Friday, July 8, 2005.

DTS is the second major area of state government Governor Schwarzenegger has restructured through the GRP process. On May 10, 2005, Governor Schwarzenegger announced the transformation of the Youth Adult Correctional Agency into the Department of Corrections and Rehabilitation. This reorganization became effective on

July 1, 2005.

The Governor has appointed Bob Austin to serve as chief deputy director and acting director of DTS. Austin will work closely with the State and Consumer Services Agency to ensure the department's smooth transition.



DTS will have an operating budget of \$235.4 million and will employ nearly 800 staff.

## STATE AWARDS COMPUTER CONTRACTS (CONT'D)

*(Continued from page 4)*

Contract savings:  
Approximately \$40 million



Ariz.-based Insight Enterprises and to Irvine-based Gateway.

Contracts for notebook computers, worth an estimated \$22 million combined over two years, were awarded to Armonk, N.Y.-based IBM and Gateway.

The HP-Western Blue-Insight team won the contracts for printers and peripherals, worth an estimated \$8 million and \$25 million, respectively. Gateway won the contract for monitors, worth an estimated

\$9 million.

Gateway and the HP-Western Blue-Insight team both agreed to meet or exceed the state's goals for small business and disabled veteran business enterprise (DVBE) participation. Both will subcontract at least 25 percent of the work to small businesses and at least 3 percent to DVBEs, greatly increasing small business and DVBE participation in state contracting for computer goods.

"There were many fine proposals," said DGS Director

Ron Joseph, "but these represent the best of the best—contracts that offer the strongest combination of low prices, outstanding service and progress on our socioeconomic goals."

## HIGH POLLUTING VEHICLES (CONT'D) (Continued from page 2)



As of June 30, 2005, BAR had retired nearly 5,000 high polluting vehicles after the program restarted in September of 2004. Governor Schwarzenegger launched the *Breathe Easier* campaign last March with the goal of crushing 15,000 polluters by the end of June, 2006. This year's budget earmarked \$18.5 million for vehicle retirement.

particularly on children.

The vehicle retirement program restarted in September, 2004 after a two-year suspension. As of June 30, 2005, BAR has retired nearly 5,000 vehicles. The average retirement age of high polluting vehicles is 18-20 years old. These older cars can produce up to 30 times more emissions than newer vehicles.

According to the 2001 California Health Interview Survey (CHIS), one out of ten children in the state suffers from respiratory disease. In another study, the California Department of Health Services reported that asthma hospitalizations cost \$480 million in California in 2000. Each year, 15,000 children are hospitalized because of asthma, forcing parents to miss work and children to miss school.

The program's goal is to crush 15,000 high polluting vehicles by the end of the 2005-06 year, which represents more than 900 tons of reduction in smog-forming pollutants. BAR also plans to continue its vehicle retirement program in future years to help maximize reductions in air pollution.

The money for the CAP program comes from a portion of a \$12 annual fee paid by new vehicle owners, who are exempt from Smog Check for the first six years. Drivers who have failed their Smog Check, can get a CAP application from any Smog Check station, by calling (800) 952-5210 or by going online to [www.BreatheEasier.ca.gov](http://www.BreatheEasier.ca.gov). Information is available in both English and Spanish.

## VICTIMS COMPENSATION PROGRAM (CONT'D)

"OUR GREAT STATE,  
POSSESSING THE  
FORESIGHT AND VISION  
TO HELP THOSE  
AFFECTED BY VIOLENT  
CRIME LOOKS FORWARD  
TO THE CHALLENGES  
THAT STILL REMAIN  
WHILE REFLECTING  
UPON THE MANY  
ACCOMPLISHMENTS OF  
THE PAST FOUR  
DECADES."

—KAREN MCGAGIN  
EXECUTIVE OFFICER

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The program has joint power agreements with 21 counties to process victims' claims at the local level.

The Victim Compensation Program provides reimbursement to eligible victims and their families for medical and dental treatment, mental health counseling, payment for loss of wages, job retraining, and funeral/burial expenses incurred as the result of a crime. Helping victims cope

with the physical, emotional, and financial impacts of crime is a critical and core component of justice in California and the nation.

"California's commitment to victims of crime is even stronger today. Eligibility for compensation includes help for California residents regardless of where in the world the crime occurred and for nonresidents who become victims of

violent crime within the state of California," said Karen



McGagin, executive officer of the Board. "Our great state, possessing the foresight and vision to help those affected by

violent crime looks forward to the challenges that still remain while reflecting upon the many accomplishments of the past four decades."

## IDENTITY THEFT (CONT'D)

*(Continued from page 2)*

enforcement agencies and state and local officials attended a daylong session to explore ways to combat identity theft. Led by the Department of Consumer Affairs, a working group was established at the summit to develop formal recommendations which will be delivered in an upcoming report to the Governor.

*Department of Consumer Affairs Director Charlene Zettel*



### State and Consumer Services Agency Departments | Boards | Programs

California African American Museum (CAAM)  
California Building Standards Commission  
California Public Employees' Retirement System (CalPERS)  
California Science Center  
Department of Consumer Affairs  
Department of Fair Employment and Housing  
Department of General Services  
Department of Technology Services  
Exposition Park  
Fair Employment and Housing Commission  
Franchise Tax Board  
Office of the Insurance Advisor (OIA)  
State Teachers' Retirement System (STRS)  
State Personnel Board  
Victim Compensation and Government Claims Board

## FTB: HOMEOWNER AND RENTER ASSISTANCE PROGRAM STARTS

The State's annual Homeowner and Renter Assistance Program began July 1, according to the Franchise Tax Board (FTB).

The Homeowner and Renter Assistance Program provides a once-a-year payment from the state to qualified homeowners and renters based on property taxes directly paid by homeowners and indirectly paid by renters. For the 2005 claim year, eligible homeowners can receive a payment of up to \$472.60, while renters can receive up to \$347.50. The FTB began mailing claim booklets in mid-June to prior year

recipients. Eligible individuals can also get the [claim form](#) from the FTB's Website at: [www.ftb.ca.gov](http://www.ftb.ca.gov).

The FTB runs the program from July 1 through October 15, although claims can be filed as late as June 30, 2006. However, the FTB strongly advises claimants to file by the October 15 deadline to avoid lengthy delays in payment processing.

To qualify, homeowners must have owned and lived in their home at the end of 2004, have a household income of \$39,699 or less, or gross income of \$72,179

or less and be a U.S. citizen, designated alien, or qualified alien when the claim is filed. Renters must pay \$50 or more in rent per month and meet the above income limits and residency rules. Claimants must have been blind, disabled, or at least 62 years old on December 31, 2004.

The FTB answers questions and provides general assistance over the phone. Interested persons can call (800) 868-4171. The phone line features an automated service where claimants can order HRA forms, hear answers to frequently asked questions,



and check on the status of their current year claim.



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The State and Consumer Services Agency is responsible for civil rights enforcement, consumer protection and the licensing of 2.3 million Californians in more than 230 different professions. The Agency also handles procurement of more than \$4 billion worth of goods and services, the management and development of state real estate, oversight of two state employee pension funds, collecting state taxes, hiring of state employees, adopting state building standards in addition to the administration of two state museums - the California Science Center and the California African American Museum.